Central Intelligence Agency

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#### DIRECTORATE OF INTELLIGENCE

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North Korea: A New Posture Between Moscow and Beijing	` 25X1
Summary	
We believe the recent changes in North Korea's behavior toward the Soviet Union and Chinaand in part, its new flexibility toward the Southreflect a basic reassessment of its strategic options, rather than simply tactical adjustments in foreign policy. The North's acquisition of Soviet MIG 23s in the last few months is obvious evidence of the benefits from P'yongyang's shift toward Moscow,	25X1 25X1
In our view, P'yongyang's failure to extract any real benefit from the 13-year relationship between Washington and Beijing leads the list of its motivations for downgrading the primacy previously accorded China in this triangle. At the same time, the development of a more assertive, militarily powerful, and ideologically compatible Soviet	25X1

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posture in Asia in the 1980s has changed the North's balance sheet in favor of closer collaboration with Moscow. We believe North Korea will attempt to remain actively involved with the Chinese, particularly in seeking economic and technical assistance. But we expect P'yongyang to continue to invest more heavily in cooperation with Moscow, rather than with Beijing.

If these judgments about North Korea are correct, they connote:

- -- A North Korea that will continue to appeal to Moscow by modifying its longstanding independence on ideological and East-West issues because it recognizes that only the Soviet Union can meet its most important needs in the 1980s and 1990s.
- -- A "two-tiered" North Korean relationship with China, with P'yongyang trying to foster correct ties with Beijing and perhaps to experiment with a Chinese-style opening to Western trade and investment, but keeping China at arm's length on strategic and other political issues.
- -- And, a North Korea that is positioned to engage the Soviets actively in its own version of quadrilateral diplomacy on the peninsula.

A closer North Korean-Soviet relationship neither simplifies nor advances US and South Korean interests. Rather, it further limits China's influence on the North as a collaborator with US policy and opens the door to a greater Soviet role in the Korean question. Even so, P'yongyang's shift toward Moscow is not immutable. A variety of developments, including changes in US-Soviet relations, China's foreign policy or Kim Il-song's succession plans could again bring P'yongyang to alter its course.

## China: The North Korean Perspective

Since US-China rapprochement in 1971-1972, North Korean concerns about China's ties with the United States have been a central problem in its relationship with Beijing. The record demonstrates that the Chinese have been solicitous of P'yongyang at each major turn in US-China relations. China has regularly dispatched high level leaders to provide Kim Il-song with

authoritative readings and assurances regarding Chinese intentions and expectations for their US relationship. We can only surmise about the substance of these sessions, and of intervening contacts. But the evidence in the North Korean media over the years, and the obvious fact that the United States has remained P'yongyang's principal adversary, together suggest that the North has closely scrutinized, sharply questioned, and skeptically viewed each shift in US-China relations.

In our view, North Korean anxieties about the US-China tie are deepseated and a key factor in P'yongyang's behavior. We believe concern about US-China rapprochement led P'yongyang to take the initiative in the North-South dialogue in 1971, in part to protect its freedom of action on the peninsula from subversion by the major powers. Moreover, despite P'yongyang's historically cool relations with Moscow, the North's policies and statements demonstrate that the anti-Soviet dimension of China's cooperation with the US--especially its acceptance of a US posture in Asia that included US military forces in South Korea--have consistently troubled Kim Il-song.

We do not know how hard or how often Kim and others expressed their concerns and complaints to Beijing. But we believe the North Koreans may have pushed for, and perhaps the Chinese promised, more than Beijing could ever deliver from its US relationship. For the North, the late 1970s produced a worrisome evolution in the US-China tie, including the development of cooperation in strategy, diplomacy, trade, investment, and a security relationship that entailed arms transfers as well as technology for Beijing. But the growing US-China relationship produced little real benefit for P'yongyang and no aid whatsoever for its leading foreign policy goal--a dialogue with the United States and the removal of US forces--on the Korean peninsula.

In fact, P'yongyang could tally up further disappointments. China's support for the North's standdown on major military exercises and its lower key diplomacy toward Seoul and Washington after the Carter Administration's 1977 announcement of planned US ground force withdrawals brought no gains for P'yongyang. Instead, Washington not only reversed the withdrawal decision, but subsequent US publicity of China's "support" for the presence of US forces in the South (a position that Chinese statements in private to US and Japanese officials had implied for some time) undoubtedly deepened P'yongyang's misgivings about the US-China relationship.

P'yongyang at first almost certainly looked pessimistically at the policies of the Reagan Administration. Given the rapid downturn in US-China relations in 1981, however, we believe the North may have taken some comfort in the contention between Washington and Beijing that began almost immediately over the

Taiwan arms issue. Most obviously, the Taiwan problem put a sharp brake on aspects of US-China relations that gave P'yongyang trouble. We have no evidence on this score, nor do we know whether the North believed the Taiwan arms problem would seriously effect the long-term US-China relationship. But it is logical to assume the North Koreans welcomed China's 1981 decision to impose a highly publicized freeze on Beijing's "strategic relationship" with Washington and to shelve military-related contacts. And, in our view, P'yongyang also almost certainly was troubled in August 1982 when the United States and China resumed a more broad gauge relationship following the Taiwan arms communique.

Moreover, we consider it likely that the North saw a parallel between the issue of China's reunification with Taiwan and Korean reunification, and that it viewed China's 1982 compromise on Taiwan as a harbinger of potential Chinese duplicity on the Korean question. Again, we have no information that the North Korean leadership assessed the development in these terms. But, P'yongyang had clearly, if intermittantly, suggested a parallel between Taiwan and its own reunification goal during the arms sale controversy. Against that backdrop, Beijing's compromise with Washington--the common actor in both situations--could well have carried a decidedly negative message about China's potential willingness to sell out P'yongyang's goals for the peninsula.

Suspicions about Chinese dealings behind P'yongyang's back, in any event, were already evident in P'yongyang in the early 1980s as a result of China's evolving economic ties with South Korea. In addition to reinforcing North Korean misgivings about Chinese support, the growth in Sino-South Korean trade since the late 1970s undoubtedly has led P'yongyang to question how far Beijing would go toward a de facto public linkage with Seoul. fact, Chinese comments last year, implying that Beijing would move farther after Washington took steps toward the North, highlight China's interest in closer economic ties with South Korea. Beijing could continue to work both sides of the street-maintaining a tie to the North, while controlling the growth of its economic link to Seoul. But a Chinese judgment that the North has taken a permanent shift toward Moscow also could lead Beijing to conclude that it has little to gain in Pyongyang, and considerable economic benefit to lose, from curbing its relationship with Seoul.

In short, we believe that the North Korean experience with China in the 1970s and 1980s has impelled P'yongyang's policy shift toward Moscow. We also believe, however, that P'yongyang reassessed the Soviet role in Asia at that time. Its judgments about Moscow's capabilities and potential in the region, in our view, brought the North to reevaluate the need for some accommodation with the Soviet Union.

## The View Toward Moscow

North Korea's relations with the Soviet Union have rarely been close, and P'yongyang would be unlikely to expect that merely warming the political atmosphere would bring rapid or dramatic changes. In fact, impediments to significant new departures have long existed for both sides. Moscow's distaste for Kim Il-song's independence and its concern that another Korean war could bring a US-Soviet conflict continue to underpin a basically conservative Soviet policy on the peninsula.

Nonetheless, unlike the 1970s, when Pyongyang saw China embarked on its opening to the United States, and the Soviet Union still pursuing the politics of detente, the last five years have brought considerable--and from the North's vantage point, welcome--change.

In the last decade, three developments have been particularly important to P'yongyang.

- -- First, P'yongyang has welcomed Moscow's policy of assertiveness toward the United States and the West. The parallel Soviet and North Korean characterizations of the dangers posed by the US military presence in Northeast Asia and by the budding "US-Japan-South Korea alliance" exemplify their community of views. North Korea's unhappiness with the Soviet role in Southeast Asia and Afghanistan also has mellowed. And in light of
  - new aircraft transfers, the Soviets offer P'yongyang a reassuring source of support compared to Beijing with its worrisome tie to the United States.
- -- Second, Moscow has made clear that its large, thoroughly modernized military force will be a fixture in East Asia, with its mobile intermediate range nuclear forces, its growing naval force in the Pacific, its presence in Japan's Northern Territories, and its military outpost in Southeast Asia. This Soviet military strength obviously has its downside for P'yongyang, since it works to reinforce the US willingness to maintain its own commitment to the region, including US forces in South Korea. But, on balance, Moscow's readiness to aggressively assert itself in the Asian strategic environment stands in marked contrast to P'yongyang's perception of Sino-US and Sino-South Korean accommodation.
- -- And, in North Korea itself, the quicker pace of Kim II-song's family succession, and the effort to revive the ailing economy, have caused the value of

better relations with the Soviet Union to appreciate significantly. Soviet acknowledgement of Kim's son as his successor helps lower some of the future risks from would-be challengers who could consider looking for Moscow's backing. So does an established link to the Soviets that more clearly ties Moscow to P'yongyang via a flow of military, economic and technological support.

In sum, we believe that the movement by P'yongyang and Moscow toward closer ties evident since 1984 will persist into the late 1980s.

## What Does It Mean?

The North's reevaluation of its Chinese and Soviet relationships and the shift toward Moscow have significant consequences for its foreign policy tactics as well as goals.

- -- It points to a more active North Korean diplomacy. Whether Beijing will ultimately judge that a full-scale competition with the Soviets for the North's favor is worth the effort is open to question. But events of the last year clearly suggest that P'yongyang can still enlist Chinese good offices with the United States at the same time it is markedly warming the atmosphere with Moscow. However belated the North's adoption of a more flexible and an active triangular diplomacy, P'yongyang's simultaneous engagement with its two allies amounts to a major departure from its low cost, "straddle-the-fence" policy behavior.
- The North's acquisition of MIG-23s calls into serious question Chinese professions about their role, including any "restraint" of North Korea if tensions escalate, on the peninsula. P'yongyang already is receiving Soviet political support; its improved military relationship with Moscow, as well as its reciprocal backing for Soviet positions on Indochina, East-West and other issues, should make the North more confident about continued Soviet aid. We have no evidence to suggest that P'yongyang expects--or that Moscow is willing to give--backing for more bellicose behavior. But it is prudent to assume that the improvements in Soviet-North Korean relations make Moscow, rather than Beijing, the most likely source of that aid--as well as the source of any presumed restraint via its denial.
- -- P'yongyang's exploitation of both its Chinese and Soviet relationships points to the possibility of other innovations in North Korean policy. As a case in point, the North has pursued and expanded the current

dialogue with the South despite events such as Team Spirit and the student demonstrations that would have derailed the talks in years past. Their behavior suggests that such tactical flexibility may be increasingly evident in P'yongyang.

Finally, the North's improved ties with the Soviets represent, in effect, a new "two-tiered" format for its relations with Moscow and Beijing. Essentially, P'yongyang is seeking a relationship with Beijing cordial enough to maintain access to China in economic and, particularly with an eye to the United States, political terms. But it has also chosen to identify more openly with Moscow to gain the military hardware, technology, and economic support that neither Beijing nor a go-it-alone approach can provide in the competition with Seoul in the 1980s. In return, the North is willing to pay the public price--by backing Soviet goals--and the private tariff--in the form of intelligence and other military cooperation--that Moscow wants and P'yongyang heretofore has not provided. The net result suggests that the MIG-23 transfer is only the first point on an upward trend line of cooperation, rather than an overdue fulfillment of a longstanding North Korean demand.

# The Alternatives: What Could Cause Another Change?

Our lack of knowledge about P'yongyang's decisionmaking and the extent of any contention surrounding its policy choices make it hard to estimate specifically what could turn recent events around. In our view, there are several factors that could have that effect.

- -- A shift in Soviet-US relations to a detente-like format, including the kind of tacit cooperation on Korea evident in the late 1960s and early 1970s. Even today, the North probably does not expect Moscow to accord it a high priority in Soviet foreign policy. As with its concerns about the US-China relationship, P'yongyang's latent mistrust of its ally would probably cause movement away from the Soviets if Korean issues again appeared vulnerable to US-Soviet collusion.
- -- A sharp escalation in the Sino-Soviet rivalry. The amelioration in Sino-Soviet tensions itself has given the North a signal and running room to maneuver. If Moscow and Beijing again turned up the heat, the North would come under greater pressure from both. In that case, P'yongyang could stand away from the fight by once more clearly advertising its independence.

- -- A leadership change in China that brought an end to military relationship and cooled the atmosphere with the United States. History, a shared culture and a record of postwar cooperation all are still a natural impetus behind a North Korean policy more aligned with China than with the Soviet Union. If Beijing's perspective accorded more with the North's view of the United States, the Chinese would be positioned again to give the Soviets a run for their money in P'yongyang.
- -- Soviet meddling in Kim II-song's succession plans. Kim Il-song conducted a far-reaching purge in the 1950s and 1960s to root out real and perceived pro-Soviet sympathizers. Any inkling on his part that Moscow was seeking inside influence would be likely to bring a dramatic reaction.
- A succession that went on the rocks. In our view, the recent changes in P'yongyang's ties with Moscow, as part of Kim's effort to smooth the way for his son, are potentially vulnerable to attack from internal challengers for power if Kim Chong-Il stumbles. If the succession comes thoroughly unstuck, the consequences would unsettle an array of North Korean policies, including the North's approach to talks with the South.

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